

Senate Bill No. 792

CHAPTER 493

An act to amend Sections 31458.3, 31590, and 31725.7 of, and to add Sections 31458.4, 31485.6, 31485.7, and 31780.1 to, the Government Code, relating to county retirement systems.

[Approved by Governor September 14, 1996. Filed
with Secretary of State September 16, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

SB 792, Hughes. County employee retirement: benefits.

(1) The County Employees Retirement Law of 1937 authorizes ex-spouses who are receiving payments from a county retirement system pursuant to a court order dividing community property to designate beneficiaries.

This bill would terminate those benefits upon the death of the surviving ex-spouse.

(2) Existing law requires payment for retirement service credit to be made prior to retirement.

This bill would permit payments to be made within 120 days after retirement.

(3) Existing law requires the retirement board to sign or authorize all warrants, checks, and electronic fund transfers drawn on the retirement fund.

This bill would authorize the board to designate the treasurer.

(4) Existing law requires members who file disability applications to wait 90 days before filing service retirement applications.

The bill would permit members to file service retirement applications at any time. The bill would also prescribe the determination of marriage status for child survivor purposes.

The people of the State of California do enact as follows:

SECTION 1. Section 31458.3 of the Government Code is amended to read:

31458.3. A member's ex-spouse who is receiving or is entitled to receive payments from the system, including a portion of the surviving spouse's allowance, pursuant to an order of the court dividing the community property interest in the member's retirement allowance may designate one or more beneficiaries who shall receive those payments following the death of the ex-spouse. Those payments shall terminate upon the death of the member or the surviving spouse.

This section applies only to a county of the first class, as defined by Section 28020, as amended by Chapter 1204 of the Statutes of 1971, and Section 28022, as amended by Chapter 43 of the Statutes of 1961.

SEC. 2. Section 31458.4 is added to the Government Code, to read:

31458.4. A member's ex-spouse who is receiving or is entitled to receive payments from the system, including a portion of the surviving spouse's allowance, pursuant to an order of the court dividing the community property interest in the member's retirement allowance may designate one or more beneficiaries who shall receive those payments following the death of the ex-spouse. Those payments shall terminate upon the death of the member or the surviving spouse.

This section shall not be operative in any county until the board of supervisors, by resolution, makes this section applicable in the county.

SEC. 3. Section 31485.6 is added to the Government Code, to read:

31485.6. Notwithstanding anything to the contrary in this chapter, a member who elects to purchase retirement service credit under Section 31494.3, 31641.1, 31641.5, 31646, or 31652, or under the regulations adopted by the board pursuant to Section 31643 or 31644 shall complete that purchase within 120 days after the effective date of his or her retirement.

This section applies only to a county of the first class, as defined by Section 28020, as amended by Chapter 1204 of the Statutes of 1971, and Section 28022, as amended by Chapter 43 of the Statutes of 1961.

SEC. 4. Section 31485.7 is added to the Government Code, to read:

31485.7. Notwithstanding anything to the contrary in this chapter, a member who elects to purchase retirement service credit under Section 31494.3, 31641.1, 31641.5, 31646, or 31652, or under the regulations adopted by the board pursuant to Section 31643 or 31644 shall complete that purchase within 120 days after the effective date of his or her retirement.

This section shall not be operative in any county until the board of supervisors, by resolution, makes this section applicable in the county.

SEC. 5. Section 31590 of the Government Code is amended to read:

31590. (a) All warrants, checks, and electronic fund transfers drawn on the retirement fund shall be signed or authorized by at least two board officers or employees, designated by the board or by the treasurer if designated by the board. If the treasurer is designated by the board, the board shall also designate the auditor to sign or authorize warrants, checks, and electronic fund transfers. The authorization may be by blanket authorization of all warrants,



checks, or electronic fund transfers appearing on a list or register, or may be by a standing order to draw warrants, checks, or electronic fund transfers, which shall be good until revoked. If the treasurer and auditor are designated by the board, a warrant, check, or electronic fund transfer is not valid until it is signed or authorized, numbered, and recorded by the county auditor, except as provided in subdivision (c).

(b) Any person entitled to the receipt of benefits may authorize the payment of the benefits to be directly deposited by electronic fund transfer into the person's account at the financial institution of the person's choice under a program for direct deposit by electronic transfer established by the board or treasurer if authorized by the board. The direct deposit shall discharge the system's obligation in respect to that payment.

(c) The board may, or, if authorized by the board, the treasurer shall, authorize a trust company or trust department of any state or national bank authorized to conduct the business of a trust company in this state or the Federal Reserve Bank of San Francisco or any branch thereof within this state, to process and issue payments by check or electronic fund transfer.

SEC. 6. Section 31725.7 of the Government Code is amended to read:

31725.7. At any time after filing an application for disability retirement with the board, the member may, if eligible, apply for, and the board in its discretion may grant, a service retirement allowance pending the determination of his entitlement to disability retirement. If he is found to be eligible for disability retirement, appropriate adjustments shall be made in his retirement allowance retroactive to the effective date of his disability retirement as provided in Section 31724.

This section shall not be construed to authorize a member to receive more than one type of retirement allowance for the same period of time nor to entitle any beneficiary to receive benefits which the beneficiary would not otherwise have been entitled to receive under the type of retirement which the member is finally determined to have been entitled. In the event a member retired for service is found not to be entitled to disability retirement he shall not be entitled to return to his job as provided in Section 31725.

If the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary shall be as selected by the member at the time of retirement for service. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall also be binding as to the type of allowance the member receives if the member is awarded a disability retirement.

SEC. 7. Section 31780.1 is added to the Government Code, to read:



31780.1. A child eligible to receive a survivor benefit under Section 31760.1, 31781.1, 31786, or 31787 shall be considered unmarried if the child is not married as of the date the member dies, whether or not the child was previously married. If the child thereafter marries, eligibility for the survivor benefit shall terminate, and the benefit shall not be reinstated if the child subsequently returns to unmarried status.

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